## AMENDMENTS TO THE SPECIFICATION:

Please amend the paragraph on page 15, beginning on line 9 and ending on line 14 as follows:

As the image pickup/transmission mode switches, a manual/standard selection switch 701, a sports mode (a frame rate preference mode) selection switch 702, a portrait mode (a resolution preference mode) selection switch 703 and a fault full-auto mode selection switch 704 are provided.

Please amend the paragraph on page 15, beginning on line 15 and ending on line 21 as follows:

The manual/standard mode selection switch 701 switches the manual mode and the standard mode for each operation. When the manual/standard mode selection switch 701 is operated when the sports mode (frame rate preference mode), the portrait mode (resolution preference mode) or the fault full-auto mode is set, the mode is switched to the standard mode.

Please amend the paragraph on page 16, beginning on line 8 and ending on line 10 as follows:

In the sports mode, the portrait mode and the fault full-auto mode, the setting ratios of the number of pixels, the frame rate and the compression rate are different.

Please amend the paragraph on page 16, beginning on line 11 and ending on line 14 as follows:

Fig. 8 illustrates the setting ratios of the parameters in the sports mode (frame rate preference mode), the portrait mode (resolution preference mode) and the fault full-auto mode.

Please amend the paragraph beginning on page 17, line 17 and ending on page 18, line 2 as follows:

When the sports mode or the portrait mode is set when the image data is to be transmitted together with the image pickup of the VTR built-in video camera, a charge storage time of the image pickup element 102 is set shorter than that in the standard mode by the microcomputer 114 and an object depth is set shallow. A focus following velocity of the lens 101 driven through the motor driver 104 is fastest in the sports mode, next fastest in the standard mode and slowest in the portrait mode. In a full-auto full-auto mode, the image pickup element 102 and the motor driver 104 operate in the same manner as that in the standard mode as opposed to the sports mode and the portrait mode.

Please amend the paragraph on page 18, beginning on line 7 and ending on line 15 as follows:

In the fault full-auto mode, whether the image is a motion image or a still image is determined by the pan/tilt detection circuit 115 and the motion detection circuit 116, and when it is the motion image, the pixel thinning-out circuit 151, the frame rate thinning-out circuit 153 and the quantization step control circuit 156 are controlled to set the ratio B, and when it is the still image, they are controlled to set the ratio C.

Please amend the paragraph on page 18, beginning on line 16 and ending on line 18 as follows:

Namely, in the fault full-auto mode, the frame preference mode or the resolution preference mode is automatically selected in accordance with the motion of the image. Please amend the paragraph beginning on page 18, line 19 and ending on page 19, line 1 as follows:

In the present embodiment, the manual mode, the standard mode, the sports mode (frame rate preference mode), the portrait mode (resolution preference mode) and the fault full-auto mode are shown as the image pickup/transmission modes, the ratios of the parameters may be programmed in other operation modes for setting the image quality. As to the sorts of the parameters, parameters such as audio compression ratio, transmission protocol and transmission power may be used.

Please amend the paragraph on page 20, beginning on line 21 and ending on line 26 as follows:

In the step S18, if the portrait mode (resolution preference mode) is not set, the process proceeds to a step S20 to determine whether the fault full-auto mode is set or not. If the fault full-auto mode is set, the process proceeds to a step S21 to determine whether the input image data is a motion image or not.

Please amend the paragraph beginning on page 21, line 26 and ending on page 22, line 2 as follows:

If the fault full-auto mode is not set in the step S20, the process returns to the step S11 to read the state of the operation switch (see Fig. 7) to conduct the mode determination again.